

CORPORATE SOCIAL RESPONSIBILITY (“CSR”)
POLICY



SANSERA ENGINEERING LIMITED

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Objective

The objective of CSR Policy at Sansera Engineering Limited (the “**Company**”) is to give back to the society. Being an equal opportunity employer, our Company believes in providing the platform for skill and talent to flourish. Our Company’s CSR activities ethics are designed to help in education of mentally challenged/ deprived and poor children also improving their civic responsibilities. This is being achieved by adopting government schools in the vicinity of the factory and making its employees to carry out various activities in the adopted school.

The Company would engage in activities whereby business further contributes to make a positive and distinguishing impact on the environment, customers, employees, other stakeholders and the environment.

The CSR Policy of the Company would develop a systematic approach to administer CSR activities undertaken as per the Policy.

The policy is governed by Section 135 of the Act, the CSR Rules and the notifications and circulars issued by the Ministry of Corporate Affairs from time to time collectively.

The board of directors of the Company have updated this Policy on 18th March 2021 in line with recent changes / amendment in CSR Regulations.

1. Definition

“**Act**” means the Companies Act, 2013, the rules framed thereunder, each as amended

“**Board of Director**” or “**Board**” means the Board of Directors of the Company, as constituted from time to time.

“**Company**” means a company incorporated under the Companies Act, 2013 or under any previous company law.

“**Corporate Social Responsibility Committee or Committee or CSR Committee**” means CSR Committee constituted by the Board of Directors of the Company, from time to time. “**CSR Rules**” means the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, framed under the Act

“**Independent Director**” means a Director of the Company, not being a whole time director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence under the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”)

“**International Organisation**” means an organisation notified by the central government as an international organisation under section 3 of the United Nations (Privileges and Immunities) Act, 1947

“**Policy**” means this Corporate Social Responsibility Policy .

Any other term not defined herein shall have the same meaning as defined in the Act or any other applicable regulation.

2. Committee membership and organization

The Committee shall be appointed by and will serve at the discretion of the Board. The CSR Committee shall consist of no fewer than three (3) members with at least one (1) member being an independent director.

The members of the CSR Committee will be appointed by the Board.

3. Core Areas of CSR

- a) The CSR objective of the Company will be achieved through concentrated and dedicated initiatives encompassing the following identified core areas:
 - Citizen Involvement
 - Education and skill development
 - Healthcare and wellness
 - Environmental sustainability, energy and water conservation.
 - Infrastructure
- b) Any other initiative/s which may not fall under the purview of the above core areas may also be taken up by the Company, subject to recommendation of the CSR Committee and approval by the Board members.
- c) The Company may also undertake all or any of the activities as set out in Schedule VII of the Act read with the CSR Rules
- d) Alternatively, the CSR Committee may choose to focus on any one or more of the above core areas for its efforts dedicated towards CSR.

However, the CSR activities shall exclude the following:

- a) activities undertaken in pursuance of normal course of business of the Company
- b) any activity undertaken by the Company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level
- c) contribution of any amount directly or indirectly to any political party under section 182 of the Act
- d) activities benefitting employees of the Company as defined in section 2(k) of the Code on Wages, 2019
- e) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services
- f) activities carried out for fulfilment of any other statutory obligations under any law in force in India

4. Execution/Implementation and Monitoring Mechanism

A. Execution/Implementation of CSR activities:

The Company may conduct/implement its CSR activities through any one or all or a combination of any of the following ways:

- a. Directly by the Company
- b. Through Sansera Foundation, a Trust established by the Company and registered under section 12A and 80 G of the Income Tax Act, 1961 for undertaking CSR activities

- c. Collaborating with other companies/organisation to undertake projects or programs or CSR activities.
- d. A company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government
- e. Any entity established under an Act of Parliament or a State legislature
- f. A company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities

Further, the Company may engage with international organisation for designing, monitoring and evaluation of the CSR projects or programs as well as for capacity building of their own personnel for CSR.

B. MONITORING MECHANISM

- a. CSR Committee shall monitor the overall CSR initiatives of the Company. It has the following mandate by the Board :
 - o To formulate and recommend a CSR policy to the Board;
 - o To recommend amount of expenditure to be incurred on CSR activities;
 - o To monitor the CSR policy of the company from time to time.
 - o Prepare an annual action plan for the CSR projects to be undertaken, manner of execution of projects, mode of utilisation of funds and details of need and impact assessment for the projects undertaken by the Company
- b. The CSR Committee, shall prepare a transparent monitoring mechanism for ensuring implementation of the initiatives/ activities undertaken by the Company.
- c. Report on progress of the projects to be shared by the core CSR team quarterly with the CSR Committee and by the CSR Committee to the Board on a semi-annual basis.

5. CSR Corpus

- a. The CSR Committee shall assign the corpus for CSR activities.
- b. CSR corpus to comprise of the following:
 - 2percent of average net profits of the Company for the preceding three financial years.
 - Any income arising therefrom;
 - Surplus arising out of CSR activities
 - Other operational items

The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company. Surplus funds shall be utilized for the same for the same project or shall be transferred to the Unspent CSR account and spent in pursuance to CSR policy/ annual action plan or transfer to fund specified in Schedule VII of the Act within 6 months from end of financial year.

6. Duties of the Board and the Chief Financial Officer

- The Board shall satisfy itself that funds so disbursed have been utilised for the purposes and in the manner approved by the Board

- In case of an ongoing project, monitor the implementation of the project with reference to the approved timelines and year wise allocation
- To make modifications, if any, for smooth implementation of the project within the overall permissible time period
- The Chief Financial Officer or the person responsible for financial management shall certify that funds so disbursed have been utilised for the purposes and in the manner approved by the Board

7. Reporting

- The Board's Report of the Company to include an annual report on CSR containing particulars specified in the prescribed format.
- Form CSR 1 needs to be filed electronically by the company and implementing agency (Section 8 company / Registered Public Trust / Registered Society) who intend to undertake CSR activity.

8. General Guidelines

- a. The CSR team shall produce and disseminate information on CSR to the public through different media, as per the mandate of the CSR Committee.
- b. The endeavor shall be to create a spirit of volunteerism amongst the employees for execution of the projects under this policy.
- c. The Company shall adopt fair and inclusive practices throughout the operations and seek to eliminate all prejudice.
- d. Compliance with this policy shall be continuously monitored, reviewed and updated subject to review by the CSR Committee.
- e. Preference for undertaking CSR activities may be given to the local areas in and around the area of operation of the Company in India.

9. Changes and Modifications

Any changes and modifications in the policy to be at the discretion of the CSR Committee only.

This Policy shall be posted on the website of the Company i.e., www.sansera.in